

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER OF INSURANCE

CAUSE NO: 18894-AD19-1210-149

IN THE MATTER OF:)

Lance Little)
1003 Artisan Pkwy.)
LaGrange, KY 40031)

Respondent.)

Type of Agency Action: Enforcement)

License Number: 685752)

FILED

FEB 25 2021

STATE OF INDIANA
DEPT. OF INSURANCE

ADMINISTRATIVE ORDER AND
NOTICE OF NONRENEWAL OF LICENSE

The Indiana Department of Insurance ("Department"), pursuant to the Indiana Administrative Orders and Procedures Act, Indiana Code § 4-21.5-1 *et seq.*, and Indiana Code § 27-1-15.6-12, hereby gives notice to Lance Little ("Respondent") of the following Administrative Order:

1. Respondent is a licensed nonresident insurance producer holding license number 685752 ("Respondent's license") since February 5, 2010.
2. Respondent's license expires on January 31, 2021.
3. On November 26, 2019, the Enforcement Division received a consumer Complaint ("Complaint") against Respondent from Gary and Lynn Schmaltz ("Consumers") stating that Respondent falsified their insurance disclosure document, which was for obtaining group health insurance for the Consumers' business, Dunham Rubber and Belting Corp.
4. The Complaint stated that on or about April 1, 2019, the Consumers completed the original application for their group health insurance for the business and disclosed that

Lynn Schmaltz has leukemia requiring multiple physician office visits, as well as chemotherapy medication.

5. This application was submitted to Respondent of Paychex Insurance Agency (PIA) along with Heather Legare, his assistant.
6. Respondent and Ms. Legare in turn allegedly submitted the application to Assured Benefits Administrators with the falsified documents.
7. On or about October 15, 2019, the Consumers provided a copy of the original application to Assured Benefits. This was the first time Assured Benefits had seen the original application from the Consumers. The original application was dated April 1, 2019, but the altered document was dated May 1, 2019. All of Lynn Schmaltz's pre-existing medical conditions were listed on the original application.
8. PIA terminated Respondent on October 31, 2019, for fraudulent behavior in allegedly altering the application of Lynn Schmaltz to remove the pre-existing medical conditions in order to procure health coverage for the Schmaltz's business, Dunham Rubber and Belting Corp.
9. Respondent's alleged fraudulent behavior was exposed when Dunham Rubber's insurer declined to cover services related to the pre-existing medical conditions of Lynn Schmaltz. The employer questioned the denial and supplied the original application which clearly showed that her pre-existing medical condition was disclosed in the enrollment application submitted to Respondent.
10. Indiana Code § 27-1-15.6-12(b)(5) states, in part, that the Commissioner may refuse to renew an insurance producer's license for intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance.

11. Indiana Code § 27-1-15.6-12(b)(7) states, in part, that the Commissioner may refuse to renew an insurance producer's license for admitting to having committed or being found to have committed any unfair trade practice or fraud in the business of insurance.
12. Indiana Code § 27-1-15.6-12(b)(8) states, in part, that the Commissioner may refuse to renew an insurance producer's license for using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in Indiana or elsewhere.
13. Indiana Code § 27-1-15.6-12(d) provides that when the Commissioner refuses to renew a license, the Commissioner shall notify the Respondent, in writing, of the reasons for the nonrenewal. This Order serves as that notice.
14. The Commissioner further notifies Respondent that, pursuant to Indiana Code § 27-1-15.6-12(d), Respondent may, within sixty-three (63) days of the mailing of this Order, make a written demand upon the Commissioner for a hearing to determine the reasonableness of this action. Such a hearing shall be held within thirty (30) days from the date of receipt of Respondent's written demand.
15. This is considered an agency action. This action has been initiated by the aforementioned authority. If you choose to appeal this agency action, the State of Indiana Office of Administrative Law Proceedings ("OALP") will assign an administrative law judge to preside over this matter, and subsequently you will be contacted by the OALP with more information to begin the administrative process.

WHEREFORE, based on the foregoing, the Commissioner of Insurance hereby notifies Respondent that **Respondent's license shall not be renewed** due to Respondent's conduct in intentionally misrepresenting a consumer's application for insurance.

2-25-2021
Date Signed


Stephen W. Robertson, Commissioner
Indiana Department of Insurance

Distribution:

Victoria Hastings, Attorney
ATTN: Phil Holleman, Sr. Investigator
Indiana Department of Insurance
311 W Washington St., Suite 103
Indianapolis, IN 46204-2787

Lance Little
1003 Artisan Pkwy,
LaGrange, KY 40031

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BEFORE THE INDIANA
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Type of Agency Action: Enforcement)

Producer's License: 685752)

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DEC 20 2019

STATE OF INDIANA
DEPT. OF INSURANCE

FINDINGS OF FACT, CONCLUSIONS OF LAW,
AND EMERGENCY ORDER

The Commissioner of the Indiana Department of Insurance ("Commissioner"), being duly advised, now issues the following Findings of Fact, Conclusions of Law, and Emergency Order:

Findings of Fact

1. Lance Little ("Respondent") is a licensed nonresident insurance producer, holding license number 685752 since February 5, 2010.
2. On November 26, 2019, the Enforcement Division received a complaint ("Complaint") against Respondent from Gary and Lynn Schmaltz.
3. The Complaint states that on or about May 1, 2019, Respondent fraudulently altered Lynn Schmaltz's application for group health insurance for the Schmaltz's business by removing all information about Lynn Schmaltz's pre-existing medical condition of leukemia.
4. The Respondent was terminated by Paychex Insurance Agency (PIA) on October 31, 2019, for fraudulent behavior. PIA terminated Respondent due to altering the application of

ORDER

With the Findings of Fact and Conclusions of Law as stated above, the Commissioner now orders:

1. Lance Little's Indiana Nonresident Producer License # 685752 is hereby immediately suspended for ninety (90) days, renewable as necessary per Indiana Code § 4-21.5-4-5.

Under Indiana Code § 4-21.5-4-3, this Emergency Order is effective when issued. Respondent has the right to request a hearing on this Emergency Order by filing a request for a hearing with the Department, and if requested, an evidentiary hearing will be set on the matter as soon as practicable.

12-20-2019

Dated



Stephen W. Robertson, Commissioner
Indiana Department of Insurance

Distribution to:

Lance Little
1003 Artisan Pkwy.
LaGrange, KY 40031

Victoria Hastings, Attorney
ATTN: Phil Holleman, Sr. Investigator
Enforcement Division
Indiana Department of Insurance
311 W. Washington St, Ste 103
Indianapolis, IN 46204

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STATE OF INDIANA
DEPT. OF INSURANCE

MOTION FOR EMERGENCY SUSPENSION

The Enforcement Division of the Indiana Department of Insurance ("Enforcement Division"), pursuant to Indiana Code § 4-21.5-4, files its petition for emergency suspension against agent Lance Little ("Respondent"), and states:

1. Respondent is a nonresident insurance producer holding license number 685752 since February 5, 2010.

2. Respondent's license expires on January 31, 2021.

3. On November 26, 2019 the Enforcement Division received a consumer complaint ("Complaint") against Respondent from Gary and Lynn Schmaltz ("Consumers") stating that agents, Respondent and Heather Legare, falsified their insurance disclosure document, which was for obtaining group health insurance for the Schmaltz's business, Dunham Rubber and Belting Corporation.

4. The Complaint states that on or about April 1, 2019, the Consumers completed the original application for their group health insurance for the business, and disclosed that Lynn

Schmaltz has leukemia requiring multiple physician office visits, as well as chemotherapy medication. This application was submitted to Respondent of Paychex Insurance Agency (PIA) along with Heather Legare, his assistant. Respondent and Ms. Legare in turn submitted the application to Assured Benefits Administrators with the falsified documents.

5. On or about October 15, 2019, the Consumers provided a copy of the original application to Assured Benefits. This was the first time Assured Benefits had seen the original application from the Consumers. The original application was dated April 1, 2019, but the altered document was dated May 1, 2019. All of Lynn Schmaltz's pre-existing medical conditions were listed on the original application.

6. PIA terminated Respondent on October 31, 2019, for fraudulent behavior in altering the application of Lynn Schmaltz to remove the pre-existing medical conditions in order to procure health coverage for the Schmaltz's business, Dunham Rubber and Belting Corporation.

7. Respondent's fraudulent behavior was exposed when Dunham Rubber's insurer declined to cover services related to the pre-existing medical condition of the Lynn Schmaltz. The employer questioned the denial and supplied the original application which clearly showed that her pre-existing medical condition was disclosed in the enrollment application submitted to Respondent.

8. The Department has serious consumer protection concerns regarding Respondent's competence and trustworthiness.

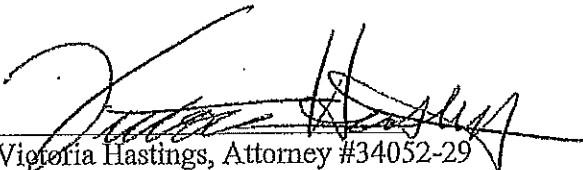
9. An emergency exists in that Respondent's continued selling of insurance in the state of Indiana with a valid license places him in a position of trust with Indiana consumers and in control of Indiana consumers' financial circumstances.

10. Indiana Code § 27-1-15.6-12(b)(8) authorizes the Commissioner to suspend an insurance producer's license for using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in Indiana or elsewhere.

11. Under Indiana Code § 4-21.5-4-2(a)(1), the Commissioner may, in an emergency, issue orders without notice or an evidentiary proceeding. However, Indiana Code § 4-21.5-4-4 provides that upon issuance of an emergency order, the Respondent may request a hearing as quickly as practicable.

12. Respondent should be required to cease practice as an insurance agent until the Department can be sure that Respondent can practice competently and in an ethically responsible manner.

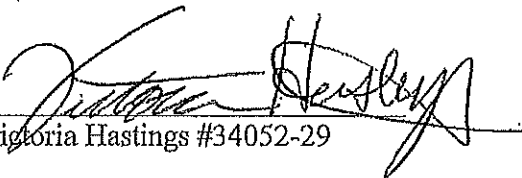
WHEREFORE, the Enforcement Division requests that the Department issue an order suspending the insurance license of Lance Little under Indiana Code § 4-21.5-4-2, and for all other necessary and proper relief.



Victoria Hastings, Attorney #34052-29
Indiana Department of Insurance
Enforcement Division
311 West Washington Street
Indianapolis, IN 46204

Certificate of Service

I certify that a copy of the foregoing has been served upon the Respondent by United States
First Class mail, postage prepaid, the same day as filing.


Victoria Hastings #34052-29

Enforcement Division
Indiana Department of Insurance
311 W Washington St, Ste 103
Indianapolis, IN 46234